WASHINGTON (AP) — Central American street gang known for using machetes to hack and stab rivals to death became the first street gang to be labeled a transnational criminal organization Thursday.

The Treasury Department formally designated MS-13, also known as Mara Salvatrucha, a transnational criminal organization in an attempt to freeze the ultra-violent gang out of the U.S. financial system and seize potentially millions of dollars in criminal profits from drug and human smuggling and other crimes committed in the United States.

The gang was founded by immigrants fleeing El Salvador's civil war more than two decades ago its founders took lessons learned from the brutal conflict to the streets of Los Angeles as they built a reputation as one of the most ruthless and sophisticated street gangs in the country. according to Immigration and Customs Enforcement Special Agent Jason Shatarsky

With as many as 10,000 members in 46 states, the gang has expanded beyond its initial and local roots and members are accused of crimes ranging from kidnapping and murder to drug smuggling and human trafficking.

Shatarsky said MS-13 has a large presence in Southern California, Washington D.C. and Northern Virginia, all areas with substantial Salvadoran populations. And in any community where the gang operates, he said, its members often prey on their own community, targeting residents and business owners for extortion, among other crimes. The gang is also active throughout Central America and in parts of Mexico and authorities in Europe have reported evidence of MS-13 expanding operations there.

Shatarsky, an MS-13 expert assigned to ICE's national gang unit, said the group quickly established themselves in Los Angeles before later spreading across the country. The group's penchants for violence — using a machete to hack a victim to death or shooting someone in the head in broad daylight for instance — surprised authorities and rival gangs.

"They saw a level of violence that hadn't been seen before," Shatarksy said, adding that as the gang as expanded it has also become more sophisticated than many of its rivals.

Among the most high profile killings attributed to MS-13 in Virginia was the 2003 slaying of a pregnant teenager who left the gang and became an informant. Brenda Paz, 17, was stabbed to death and her body was left along the Shenandoah River. MS-13 members have also been linked to the 2007 execution style shooting deaths of three friends in a Newark school yard. One of the victims was also slashed with a machete before being shot. Six people have been charged in the case.

By labeling MS-13 an international criminal organization subject to sanctions by the Treasury Department's Office of Foreign Assets Control, the government hopes stymie the gang's ability to funnel money back to its leaders in El Salvador or launder criminal proceeds through otherwise legitimate businesses.

David S. Cohen, Treasury's under secretary for terrorism and financial intelligence, said while no specific members of the gang have been individually listed as part of the group's sanction, anyone identified as a gang member or associate trying to do business with gang members are subject to criminal prosecution.

By declaring the group a transnational criminal organization, the government is also making it more difficult for gang members to use banks and wire transfer services to move profits from the group's crimes.

ICE Director John Morton described the designation Thursday as a "powerful weapon" for his agency's ongoing effort to dismantle the gang. "This designation allows us to strike at the financial heart of MS-13," he said.

Other international criminal groups that have been subject to similar sanctions by the Treasury Department include the Yakuza, a Japanese organized crime group, and the ruthless Mexican drug cartel, Los Zetas.